



## CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D. C. 20505

PUBLIC AFFAIRS

Phone: (703) 351-7676

12 October 1977

### NATIONAL FOREIGN ASSESSMENT CENTER ESTABLISHED

The CIA's Directorate of Intelligence and the Office of the National Intelligence Officers have been merged to form a new organization, the National Foreign Assessment Center. The change was effective 11 October 1977. Robert R. Bowie, Deputy to the Director of Central Intelligence (DCI) for National Intelligence, has been appointed Director of the Center. The Center is located in the CIA Headquarters building where personnel involved in the merger had worked previously, i.e., no movement of people has taken place.

The merger is designed primarily as a streamlining move, combining under one person all of the DCI's subordinate elements involved in the production of finished intelligence. No major internal realignments or changes in personnel are contemplated. The merger is another step in implementing the Presidential Directive concerning reorganization of the Intelligence Community announced on 4 August 1977.

The National Intelligence Officers have been responsible for the production of National Intelligence Estimates for the President and the National Security Council. These studies provide the best information and judgment available to the U.S. Government on major trends and events

-2-

abroad that affect the security and foreign policy of the United States. They are products of the entire Intelligence Community.

The Directorate of Intelligence has been responsible for intelligence analysis and production within CIA. In addition to its contributions to National Estimates, it issues a wide variety of periodicals and assessments for the use of policy officers at the national level, ranging from daily current intelligence summaries to in-depth analyses of foreign developments requiring the work of many analysts over months or years.

The National Foreign Assessment Center will continue both of these missions. No change is contemplated in the procedures for producing National Estimates or for Community participation in their preparation. Departments and agencies will retain the same voice in reaching the conclusions of these estimates that they have had for the past several years. Their right to dissent from the findings expressed in National Intelligence Estimates remains assured.

ARTICLE APPEARED  
ON PAGE 27

NOTRE DAME NEWS  
February 1982

# How to Retire at 45

In the CIA, says Ralph McGehee, all  
you have to do is tell the truth.

25X1A

Ralph McGehee '50 joined the Central Intelligence Agency in 1952, shortly after he was cut from the Green Bay Packers. He's not sure why the CIA approached him, but during his intelligence training he met so many other pro football dropouts that he suspects the agency considered the National Football League a prime recruiting ground.

When the Korean War ended in 1953 McGehee joined the agency's clandestine operations section as a case officer. Over the next two decades he served in the Philippines, Taiwan, Japan, Thailand and Vietnam. He did the routine work of an intelligence officer: recruiting agents, conducting investigations, and maintaining liaison with the local police and intelligence organizations.

During that era the CIA's main struggle was against Communist insurgency in Southeast Asia. That

struggle was a losing one. Of all the countries in the region, today only Thailand remains allied to the West. McGehee thinks he knows why our side lost the rest.

In 1965 McGehee directed an intelligence gathering effort in a province in northeast Thailand where a Communist insurgency was beginning. After a detailed, yearlong study, McGehee reported that he had found a popular movement so broad, pervasive and deeply rooted that purely military measures were unlikely to defeat it.

McGehee submitted his findings to the agency but, after a brief period of praise for this work, he ran into an official wall in Washington.

His findings, he explains, ran counter to the official Washington view that Communist insurgency was a form of clandestine invasion, and that the natives involved were unwilling participants who were duped or forced into joining guerilla units who took their arms and orders from outside.

McGehee maintains that intelligence

information often is politicized. In theory, the agency provides accurate and unbiased information to the President so he can make wise decisions regarding national security. In practice, when a President is firmly committed to a particular policy (such as military victory in Vietnam), the agency shapes its information to conform to that policy. Bad or even inconvenient news is unwelcome. That is an abiding theme in the history of intelligence, and it is the rock on which Ralph McGehee foundered.

After he submitted his dissenting report, McGehee's career took a nose-dive. He was shuttled from one low-level job to another. He was promised promotions but never received them.

He was frustrated as he watched his country wage the wrong kind of war in Southeast Asia, one he knew was doomed to failure. He did what he could

RICHMOND NEWS-LEADER  
26 November 1981

# CIA seeking area recruits for jobs abroad

By ANDREW PETKOFSKY

The CIA is recruiting employees in the Richmond area.

In a large advertisement that appeared in The News Leader this week, the government agency said it is "looking for men and women who want a career with a challenge, and rewards to match."

The advertisement said the available jobs require advanced education, "intelligence, skill, initiative... a willingness to take charge (and) the ability to piece together information from many sources...." But the ad did not say precisely what the jobs are.

CIA spokesman Dale L. Peterson said today that the CIA is looking for "operations officers" to gather information abroad.

"We don't use the word agent," he said.

Another agency spokesman, John McCann, chief of the Washington area recruitment office, said "scientific types" and people to work in the National Foreign Assessment Center in Washington also are being sought.

The CIA has been advertising for job applicants in various parts of the country for about two years, Peterson said, because the end of the military draft dried up the traditional source of recruits.

He said the jobs require persons who have had advanced education but also have been through a "maturing experience" of working, especially overseas. While the draft was in effect, large numbers of young persons served in the military, matured, and then went to college. The CIA then would recruit on college campuses among students who had served in the military.

"The people are no longer available on the campuses," Peterson said.

He said the CIA now has to recruit people who have had advanced training in science, foreign languages, mathematics, engineering and other technical fields and have been working for at least a couple of years. To reach those people, the CIA must advertise, he said.

McCann said a similar recruiting advertisement that appeared in The News Leader in August 1980 produced about 125 applications. He said 15 or 20 of those applications were chosen for interviews. As for the number hired, McCann said that information is not the sort the CIA gives out.

The advertisement, which appeared Monday, said the agency is seeking applicants with training in computer sciences, economics, engineering, foreign area studies, languages, mathematics, photographic interpretations and physical sciences. McCann said most of the jobs, especially those in the foreign assessment field, require advanced degrees, such as a master's or doctor of philosophy.

He said that radio recruitment advertisements have been used in Denver, Atlanta and Salt Lake City and that advertisements have appeared in several national magazines and professional journals.

Peterson said the CIA never has had problems in filling its job vacancies, even during the Vietnam war and the Watergate investigations, when the agency was the subject of controversy.

The CIA is "an equal-opportunity, affirmative-action employer," according to its advertisement.

ARTICLE APPEARED  
ON PAGE 2072

Approved For Release 2001/12/05 : CIA-RDP90-01137R

NATIONAL JOURNAL  
21 November 1981

DEFENSE REPORT

# Reagan's Effort to Reshape May Revive Debate over Age

The President is about to sign an executive order on the CIA delicate question of how to balance national security with

BY DOM BONAFEDE

The Reagan Administration, intent on revitalizing the U.S. intelligence apparatus, is seeking to assure that the changes conform to President Reagan's goals—to combat international terrorism and other perils to national security.

After several false starts, Reagan will shortly disclose the revisions in a new executive order—the third presidential directive governing intelligence activities in the past five years. In addition, William J. Casey, director of the Central Intelligence Agency, has taken administrative and organizational measures to further centralize operations under his aegis.

On another front, the Administration is pushing legislation to exempt the CIA from Freedom of Information Act strictures and is supporting a bill that would prohibit unauthorized disclosure of information identifying U.S. intelligence operatives.

Each of these steps is part of a concerted effort to strengthen the nation's intelligence machinery in keeping with Reagan's hardline defense posture and his political ideology.

Reagan's new executive order, covering the CIA and a galaxy of sister intelligence agencies, could nonetheless provoke an intense national debate over the delicate balance between individual rights and national security. Two earlier draft proposals, leaked to the press by antagonists, were purportedly designed to expand the CIA's jurisdiction to include domestic counterintelligence, lawfully the province of the Federal Bureau of Investigation.

That raised the specter of surreptitious entries, mail openings, electronic surveillance and infiltration and even legitimate business organizations. It has triggered fears that the "new

CIA" will be like the old CIA, which in a torrent of headlines in the 1970s was exposed for illegally spying on American citizens, exhibiting a cavalier disregard for civil liberties, participating or conspiring in overseas assassination attempts and masterminding a host of bizarre, costly and embarrassing James Bond-like plots.

Adm. Bobby R. Inman, the deputy CIA director, publicly declared in March that while the reins on the agency may be eased, the scope of the proposed changes has been distorted and exaggerated. Yet, should Reagan persist in "unleashing" the CIA, the consequences almost certainly would be to revive the highly charged dispute over the proper role of the intelligence community in a free society.

The President has already been put on notice by the intelligence oversight committees in the House and Senate that the overwhelming majority of their members are opposed to any proposals that would allow the CIA to conduct covert domestic operations.

On Oct. 30, the Senate Select Committee on Intelligence, headed by Barry Goldwater, R-Ariz., sent its recommendations on the proposed executive order to Richard V. Allen, assistant to the President for national security affairs. Allen and an assistant, Donald Gregg, director of the National Security Council's intelligence cluster, are handling the issue for the White House. Although the committee's report is confidential, it is known that the members, in a bipartisan agreement, dissented from proposals that would permit the CIA to engage in domestic operations and offered several modifications. An addendum attached to the report included the views, mainly in opposition to particular provisions of the order, of several members.

On the same day, Edward P. Boland,

D-M  
nent  
sent  
that  
conc  
tivity  
by  
pol

A  
men  
Pres  
their  
can  
issu

T  
Hov  
Lea  
Inte  
tion  
The  
tion  
tion  
orde  
mer  
agai

C  
atio  
Hov  
witl  
mai  
ont  
a co  
A  
mei

hearing by the subcommittee on Constitutional Rights. Rodino and Don Edwards, D-Calif., the subcommittee chairman, contend that the executive order falls within their purview because it would diminish the authority of the Attorney General and the FBI in domestic intelligence matters. Both the Justice Department and the FBI come under the committee's jurisdiction.

"We don't know how far the order goes," Edwards said. "We're trying to let the American people and the media

ARTICLE APPEARED  
ON PAGE 178

THE WASHINGTONIAN  
NOVEMBER 1981

# A REPORT CARD ON REAGAN'S PEOPLE

By Donald Lambro

## Best Spies

**William J. Casey:** The CIA director has overcome an inauspicious start. The intelligence community didn't like his appointment, because he had no experience in modern clandestine work. Casey named a crony, businessman Max Hugel, as director of covert operations; Hugel was implicated in allegations of stock manipulation and abruptly left the CIA.

Nevertheless, Casey has shown the same skill in running the CIA that he displayed as Ronald Reagan's campaign manager and, before that, as chairman of the Securities and Exchange Commission. He inherited an agency weakened and demoralized by his predecessor, Admiral Stansfield Turner, and he has improved both its performance and morale.

"Morale is certainly higher at the agency than ever before," says an agency source. "Casey has been making the right moves. He's getting us back on track."

**John McMahon:** Unlike Casey's own appointment, his choice of McMahon to run the CIA's National Foreign Assessment Center was applauded. A career agent, McMahon is one of the most highly regarded senior officials within the CIA. He spearheaded a CIA exposé of the Soviet Union's worldwide disinformation and forgery activities.

Casey was alarmed by apparent weaknesses of the agency's analytical output, and told McMahon to shape up the division quickly so government policy-makers would get accurate insight and analysis on a broad range of strategic issues. Intelligence sources credit McMahon with instituting changes long overdue. "We can already see an improvement," one reports.

ARTICLE APPEARED  
ON PAGE 15-25

THE PUBLIC HISTORIAN  
Winter 1981

# The Historian as Foreign Policy Analyst: The Challenge of the CIA

SUMNER BENSON

PROFESSIONAL HISTORIANS and the institutions of American policy have been engaged in increasingly fruitful relationships since World War II. Just as individuals like George F. Kennan and Herbert Feis have linked the worlds of diplomacy and historical research, so the profession has established "institutional beachheads"<sup>1</sup> in the historical offices of the Department of State, the military services, and in smaller numbers, the Departments of Defense and Energy. In these offices historians working as historians have applied rigorous scholarly standards in editing primary sources, most notably the *Foreign Relations of the United*

\* This paper is a revised version of a talk presented at the annual meeting of the Pacific Coast Branch of the American Historical Association, University of Southern California, August 1980.

This material has been reviewed by the Central Intelligence Agency to assist the author in eliminating classified information. However, that review constitutes neither CIA authentication of material presented as factual nor a CIA endorsement of the author's views or those ascribed by the author to others (including current or former officials of any nation).

1. The concept is taken from Otis L. Graham, Jr., "Historians and the World of (Off-Campus) Power," *The Public Historian*, Volume I, Number 2 (Winter 1979), 34.

CONTINUED

PHILADELPHIA INQUIRER  
5 October 1981

# A new boatlift?

## More economic woes coming for Cuba, CIA warns

By Barton Reppert

Associated Press

WASHINGTON — A CIA analyst says serious economic problems and internal discontent may prompt Cuban President Fidel Castro to encourage a new, large-scale exodus of refugees from his country.

The forecast was in a compendium of papers on Western hemisphere nations released yesterday by the congressional Joint Economic Committee.

Analyst Russell Swanson of the CIA's National Foreign Assessment Center wrote that in coming years "the Castro government faces its most serious economic challenge since the transition from capitalism to socialism in the early 1960s."

Despite improvements in areas such as health and education, Cubans have experienced a decline since the mid-1960s in per capita supplies of clothing and key staples such as sugar, rice, beef and coffee, and the housing shortage has gone from bad to worse, Swanson said.

"Revolutionary fervor among both the young and the old is on the wane because of continuing consumer austerity," Swanson said. "At the same time, the prospects for dynamic economic development are bleak for at least the next decade."

Facing such deep-rooted economic problems, he wrote, "Havana could again seek to defuse internal discontent through large-scale emigration — a tactic employed successfully on three previous occasions in the past 22 years."

Last year, more than 120,000 Cubans fled to the United States in a boatlift sanctioned by Castro.

"Castro would probably prefer to negotiate a long-term, orderly departure for some one to two million Cubans on the periphery of the revolution, but he is not above threatening a new large-scale exodus to achieve his goal," Swanson said. "In addition, growing numbers of Cubans could take it upon themselves to leave illegally and thus escalate bilateral tensions."

Swanson said Cuba's economic slowdown was reflected in the growth rate of its national budget, which dropped from about 10 percent a year between the mid-1960s and mid-1970s to 1.3 percent in 1980.

Swanson said that "growing malaise and despair have led to serious declines in labor productivity through deliberate work slowdowns and absenteeism. At the same time, black market activities and other economic crimes have been increasing."

Although the economic situation "is not an immediate threat to the political security of the Castro government," he said, it is likely to lead to "major systemic economic changes," which would amount to abandoning certain fundamental Marxist tenets.

Swanson's portrayal of the Cuban economy contrasted sharply with a recent assessment by Cuban officials, who argued that the economy has enjoyed substantial growth despite the U.S. trade embargo and would become even stronger in the next five years.



SUMMER '81  
**Lafayette**  
Alumni

NF  
**NATIONAL FOREIGN ASSESSMENT**

WASHINGTON, D. C. 20505

28 September

NOTE FOR: Lavon Strong  
Public Affairs

Last spring I notified Herb Hetu that Lafayette College wanted to do an article on me and my employment at CIA in their Alumni Quarterly. The article has been published, and I think you ought to have a copy of it in case you get any questions. I doubt very much that you will. → P. 12

DD/NFAC

25X1A

Inside the CIA

25X1A

# Reflections on Kremlinology in the

By DAVID BINDER  
Special to The New York Times

ALEXANDRIA, Va., Sept. 26 — It may be only a footnote in the world of real estate, but a report that the entire Soviet analysis division of the Central Intelligence Agency was moving from C.I.A. headquarters up the road about 10 miles to Vienna, Va., stirred a wave of reminiscence in Marion G. Shaw, who formerly headed the agency's Soviet internal politics branch.

She will not comment on the move from headquarters in Langley, Va., which apparently is a purely administrative housekeeping matter. But she recalled that in the old days at the agency, before the advent of The Computer, she and her fellow analysts kept their arcana about the Kremlin officialdom on 3-by-5-inch file cards. In those days the C.I.A. was housed in wartime barracks buildings north of the Lincoln Memorial, near the present day Kennedy Center.

One day in the late 1950's there was a flood warning along the Potomac and all the C.I.A. officers were ordered to evacuate with what they could carry to higher ground. Miss Shaw, an analyst who kept her Kremlin file cards in old shoe boxes, caused "great guffaws" that day among her colleagues by emerging with her arms full of her oblong cardboard boxes, looking like she was about to deal with a picky customer in a fancy bootery. An admiring fellow Kremlinologist at the State Department, Paul K. Cook, says fondly, "Marion kept the best shoe boxes in town."

## A Return to Back Rooms

Twenty years ago, at the height of the cold war, hers was a vaunted craft. Now, with easier access to the Soviet Union and somewhat more information appearing in the Soviet press, the art of Kremlinology, like that of clock repairing in a throwaway society, has retired

largely to its original back rooms, as remote as the czar's palace fortress for which it is named.

A Vassar graduate who had studied East European history and had served in the region briefly for the State Department, Miss Shaw joined the C.I.A. in 1950 and was immediately assigned to Soviet Internal Politics, a.k.a. Kremlinology. The term was already in wide use in intelligence circles when she started, but did not appear in print until about 1958. Her first boss, a World War II intelligence hero, described Kremlinology as "the last horizon."

"He showed me the intellectual fascination of it, and it lasted all those 29 years," Miss Shaw said of her career. "It was like reading a totally spellbinding suspense novel. Every day you would come in and turn a page and find a new clue."

## 'Signs and Symbols' Pondered

In those early days, she said, the scarcity of information about the men inside the Kremlin was such that Western students of Soviet politics were largely restricted to "reading signs and symbols and entrails" — pondering who sat next to whom in a Pravda photograph of a state occasion, the lengths and placements of obituaries or speeches and the awards of medals and honors.

"I could do it, but I was never a classical Kremlinologist, although I would never underrate that," she reflected. "But following Stalin's death the Soviet political system became more open — it's all relative — and with that, classical Kremlinology became one of several tools."

Among the newer instruments were the study of what she calls "old boy networks" of party officials who were contemporaries in the same region, the correlating of regional historical events that would affect the careers of officials, such as droughts or floods or bad harvests, and the calculation of relationships between party officials and district military commanders.

## Shoe Boxes Help Predictions

Her shoe boxes helped her to conclude in the early 1960's, five years ahead of everyone else and in disagreement with "everyone" in the intelligence community, that Dmitri S. Polyansky, then considered a possible successor to Khrushchev, was already being downgraded.

She also, correctly, disagreed with the C.I.A. consensus in 1973 that President Leonid I. Brezhnev was about to die.

"I care desperately about what I did," she said. "I still care. I had a sense of joy." That same year, her 23d on the job, the agency discovered that Miss Shaw had never set foot in the Soviet Union. After a lot of palaver over security, she was given permission to travel as a tour-

# Shoe Box Era

ist — a venture not entirely without peril since "they knew who I was" — and see, among other things, the walls of the Kremlin. "I felt at home," she recalled, with a twinkle in her light blue eyes. Did it change her mind? "No."

Since early 1979, when she retired, Miss Shaw has experienced fits of passionate nostalgia, when one or another change occurs in the Kremlin. "I die over that," she said.

## Novels of le Carré

"It's not the leaving but the not knowing. But I'm cut off because it's classified."

In retirement she has found time to read, among other things, the spy novels of John le Carré, whom she admires as a great astronomer of Bureaucracy — Soviet and American.

"I learned about Soviet bureaucratic politics by watching C.I.A. bureaucratic politics," she said, and then emitted a raucous laugh before adding, "allocations of money, power of appointment and the threat of removal."

She also came across le Carré's figure of a retired, hard-drinking woman Kremlinologist, Connie. "I recognized that type — I knew several of them," she said.

Now Miss Shaw is applying the skills she developed over 30 years to her own family history, rooted in Colonial times around Charlottesville, Va. One ancestor, Martin Luther Smith, a Civil War general out of West Point who fought with the South, fascinates her, since he came from New York. She is filling shoe boxes again.

25X1A

## WASHINGTON TALK

**K**REMLINOLOGISTS are trying not to read too much into the fact that their own section of overt Soviet intelligence analysts is being moved off the grounds of the Central Intelligence Agency's main office campus in the Virginia suburb of Langley. A plot of sorts — a blueprint for additional office space — is the mundane reason given for the move to another C.I.A. site in the Virginia bedroom community of Vienna. Some of the more irrepressible analysts are wondering whether the change was dictated by William J. Casey, the new C.I.A. director and an old hand in the business.

One professional says the Soviet section relates crucially to the other intelligence units, like the shaker to the cocktail, with various specialists wandering down the Langley halls for casual business chats with the Moscow chaps. "I can think of a lot of others who ought to be defenestrated first," said the analyst, reluctant to go out into the cold of crosstown traffic.

ARTICLE APPEARED  
ON PAGE A-13

NEW YORK TIMES  
17 JUNE 1981

### C.I.A. Says Terrorism Is on Rise, With 760 Acts Counted Last Year

WASHINGTON, June 16 (UPI) — A new report by the Central Intelligence Agency says that the number of terrorist activities around the world have risen dramatically and that American businessmen and diplomats are the terrorists' favorite targets.

The 22-page report, prepared by the agency's National Foreign Assessment Center and made public yesterday, said that 6,714 international terrorist acts had been counted from 1968 through 1980, including 760 last year. Since a new system of counting was used, the agency said, a comparison with the numbers in a similar report last year would not be accurate.

American citizens, especially businessmen and diplomats, were the primary targets of terrorist attacks, the agency said, citing six Americans killed in El Salvador, two in Turkey, one in the Philippines and one in the Israeli-occupied West Bank.

The next "most-victimized nationalities" were listed as Russians, Turks, Iraqis, French, Iranians and Israelis.

from the



Director

25X1A

Number 3

This week I have made two organizational changes which will bear importantly on the improvement of national estimates, on the administration of CIA and on our relationships with the media, Congress and other elements of the government.

### THE NATIONAL INTELLIGENCE COUNCIL (NIC)

For intelligence to play its crucial role as policy is formulated, our work must be relevant to the issues at hand and it must be timely. There have been shortcomings for some time in this relating of intelligence efforts and activities to the policy process. Moreover, the process of preparing national intelligence estimates has become slow, cumbersome and inconsistent with providing the policymaker with a timely, crisp forecast that incorporates clearly defined alternative views.

To correct this situation, I am restructuring the role of the National Intelligence Officers (NIOs) and the procedures for having the National Foreign Intelligence Board and its members make their inputs to national estimates. The NIOs, constituting jointly the National Intelligence Council, henceforth will report directly to the DCI and DDCI. The Chairman of the NIC will function as chief of staff in directing and coordinating the work of the NIOs. The NIOs will continue to be the DCI's principal representatives in policy forums, and will continue to support the DCI in his role as member of the NSC and the DDCI as Intelligence Community representative to the Senior Interdepartmental Groups (SIGs)—working through the Director of NFAC for analytical support and assistance.

The National Foreign Assessment Center (NFAC) will continue to be the analytical arm of CIA and the DCI and carry primary responsibility for the production of finished foreign intelligence.

### OFFICE OF POLICY AND PLANNING

I have decided that organizational changes are needed to improve Agency-wide administration and to shift direction in certain areas now that the difficulties of the past decade are behind us. These changes will reduce staff positions and return a number of intelligence officers to the collection and production of intelligence.

I am establishing the Office of Policy and Planning to ensure that plans and policies submitted for DCI/DDCI consideration are consistent with Agency-wide objectives and priorities and that they are reviewed in the context of overall Agency needs. The Office will further develop and coordinate CIA's long-range planning effort, review materials submitted to the DCI/DDCI that concern Agency administration, personnel, analytical operations and external affairs policies, and coordinate preparation of briefing papers for the DCI and DDCI for MSC and SIG meetings as well as meetings with heads of other agencies. The Office of Policy and Planning also will centralize in the immediate office of the DCI/DDCI responsibility for all external affairs, including interdepartmental relations, liaison with the Congress and public affairs.

With respect to external affairs, the Office of Legislative Counsel and the Office of Public Affairs were created at a time when the Agency was still encountering considerable criticism in the media and in the Congress and when it was important to expend considerable effort to explain the Agency's mission, to justify our activities and to defend the quality of our work. The magnitude of effort devoted to these purposes has significantly decreased, and I believe the time has come for CIA to return to its more traditional low public profile and a leaner—but no less effective—presence on Capitol Hill. Our emphasis from now on should be to maintain and

ARTICLE APPEARED  
ON PAGE A-4

NEW YORK TIMES  
29 MARCH 1981

## SOVIET AID DISPUTED IN TERRORISM STUDY

A Draft C.I.A. Report, Now Being  
Reviewed, Finds Insufficient  
Evidence of Direct Role

By JUDITH MILLER

Special to The New York Times

WASHINGTON, March 28—A draft report produced by the Central Intelligence Agency has concluded that there is insufficient evidence to substantiate Administration charges that the Soviet Union is directly helping to foment international terrorism, Congressional and Administration sources said today.

William J. Casey, Director of Central Intelligence, has asked his analysts, the sources said, to review their conclusions, given the substantial opposition to the report from other agencies.

The draft estimate, produced by the C.I.A.'s National Foreign Assessments Center, has stirred debate within Administration foreign policy circles, as foreign affairs spokesmen have publicly accused the Soviet Union of training, equipping, and financing international terrorist groups.

The review of the draft estimate has once again raised questions about the relationship between intelligence officials and policy makers, with some C.I.A. officials concerned that the agency is coming under pressure to tailor its analysis to fit the policy views of the Administration.

### Charges in Last Administration

Similar charges were made during the Carter Administration and resulted in frequently bitter exchanges between policy makers and intelligence officials.

Bruce C. Clark, who heads the agency's assessments, or analysis unit, is retiring from the C.I.A. in April, in what officials said was a personal decision unrelated to the dispute over the intelligence estimate on terrorism.

One official said that a successor had not been named, but another indicated that Mr. Clark's successor would be the current director of the agency's operations unit, John McMahon.

The special national intelligence estimate on terrorism was begun soon after the Administration took office, official said. Secretary of State Alexander M. Haig Jr. said on Jan. 28 in his first new conference that the Soviet Union, as part of a "conscious policy," undertook the "training, funding and equipping" of international terrorists.

The Administration has subsequently said that combatting international terrorism is one of its key foreign policy objectives.

### 'Ample Evidence' on Soviet Role

In addition, Richard V. Allen, President Reagan's national security adviser, said in an interview with ABC News this week that "ample evidence" had been accumulated to demonstrate the Soviet Union's involvement in international terrorism. Mr. Allen also said that the Soviet Union was "probably" supporting the Palestine Liberation Organization, which he said must be identified as a terrorist organization, through financial assistance and through support of its "main aims."

Finally, Mr. Allen concluded that Israeli air raids into southern Lebanon should be generally recognized as a "hot pursuit of a sort and therefore, justified."

Officials said that the draft estimate contained some factual evidence to support charges that the Soviet Union was directly aiding and abetting terrorist groups, but that in many instances the evidence of such involvement was either murky or nonexistent.

The estimate, which was circulated for comment to the State Department, National Security Council, Defense Intelligence Agency, and the National Security Agency, stirred angry debate and response.

commented.

Other Administration and Congressional officials, however, voiced concern that the agency was once again being asked to tailor its views to fit the public pronouncements of senior Administration officials.

"There would not have been a review if the estimate's conclusions had totally supported the Administration's charges," the official said.

REUTER

29 March 1981

CIA:

1111159

R R3799/120THYDIYC

~~1111159~~

WASHINGTON, MARCH 29, REUTER -- DEFENSE SECRETARY CASPAR WEINBERGER TODAY DISPUTED A CENTRAL INTELLIGENCE AGENCY (CIA) REPORT THAT THERE WAS NO SUBSTANTIAL EVIDENCE OF SOVIET INVOLVEMENT IN INTERNATIONAL TERRORISM, CALLING IT "A VERY PRELIMINARY DRAFT."

MR WEINBERGER SAID HE HAD NO DOUBT THAT "THERE IS GOOD CLEAR EVIDENCE THAT THE SOVIETS HAVE BEEN PARTICIPATING IN THE TRAINING AND EQUIPPING OF GROUPS; THAT FOR WANT OF A BETTER TERM, CAN BE CALLED TERRORIST GROUPS."

BUT HE ADDED THAT THE CIA REPORT, SOME DETAILS OF WHICH WERE PUBLISHED IN A WASHINGTON NEWSPAPER TODAY, HAD "SPECIFICALLY NOT BEEN ISSUED" AND DID NOT CONSTITUTE THE FINAL JUDGEMENT OF THE CIA.

"APPARENTLY IT IS JUST A DRAFT....A VERY PRELIMINARY DRAFT OF THE THINKING OF SOME OF THE PEOPLE," HE SAID IN AN INTERVIEW ON ABC'S ISSUES AND ANSWERS PROGRAM.

THE REAGAN ADMINISTRATION HAS CHARGED THAT THE SOVIET UNION IS DIRECTLY HELPING TO FOMENT INTERNATIONAL TERRORISM AND, IN HIS FIRST NEWS CONFERENCE ON JANUARY 28, SECRETARY OF STATE ALEXANDER HAIG SAID MOSCOW, AS PART OF A "CONSCIOUS POLICY," UNDERTOOK "THE TRAINING, FUNDING AND EQUIPPING" OF TERRORISTS. 1 MORE 1659 PM

ARTICLE APPEARED  
ON PAGE 1.

NORWICH BULLETIN (CT)  
8 March 1981

# The CIA's blunders could

This three part Bulletin series on 20 years of CIA estimates of Soviet military capabilities reviews two decades of charges that since the early 1960s the CIA has systematically underestimated Soviet military spending, technical capabilities and weapons deployment.

Today's first installment, "The Security Blanket That Failed," explores the scope of the blunders as seen by a number of experts who have analyzed the reports during both Republican and Democratic Administrations.

## Intelligence

## blunders

### Part I:

### The security blanket that failed

By WILLIAM F. PARHAM  
Bulletin Staff Writer

WASHINGTON — The U.S. government has wasted billions of dollars over the past two decades on inaccurate estimates and forecasts of Soviet military spending and capabilities, according to present and former U.S. intelligence and defense officials.

Ever since the Soviets encouraged the U.S. in the late 1950s to overestimate Soviet deployment and accuracy of intercontinental ballistic missiles (ICBMs) which led to the famous "missile gap", U.S. Presidents and Congresses have reached arms limits agreements with the Soviets and have determined U.S. defense investments on the basis of inaccurate intelligence about what the Soviets were spending on defense and what weapons they were planning to deploy, strategically as well as tactically, The Bulletin has learned.

The inaccurate intelligence has been the subject of often heated debate within the intelligence community since the mid-1960s, with some critics claiming they were forced out of the CIA for questioning the agency's figures. Recently, more ominous questions have been raised about possible explanations for the errors.

Was it simply the result of bureaucratic bungling or stubbornness on the part of those involved, some of the critics ask. Or was it the result of Soviet deception possibly including "troubles" or Soviet agents in high positions in the U.S. government?

Whatever the cause, it is beginning to dawn on Capitol Hill and throughout the new Administration that the money wasted on the poor estimates may be only the tip of a very unpleasant iceberg.

An even more significant cost of the U.S. intelligence community's persistently low estimates may be realized in the hundreds of billions of dollars the U.S. may decide to spend during the 1980s on extremely expensive crash programs, such as the MX missile, to prevent the Soviets from gaining an irreversible military advantage, experts say.

If the crash catch-up programs fail over the next decade, says one analyst on Capitol Hill, the ultimate

cost of the mass could be "beyond West and the vic default, all at a ti of the Soviet sy: apparent."

Complicating e the Central Intel analysts and mi consistently low S producing them, a way they used to,

President Rea William J. Casey, deputy director, e CIA's analytical p mation hearings.

But a CIA spo major organizatio yet been undertal analyzes Soviet : grams.

The Bulletin ha

— Current CI spending (61 to 66 the actual Soviet mates to be 108 : rate for rubles in exactly what is b single accurate co

— CIA estima percentage of nati percent to 13 pe probably 18 percer

— CIA estimate purchasing as a pe machinery are too over 50 percent thi '60s and 35 percent

— The CIA est better, and unless estimating Soviet n to be even further ou in five years than it is now.

— The CIA was apparently caught unawares by the introduction, refinement or deployment quantity or thoi ing of at least 13 major new Soviet weapons systems and technologies.

Also, analysis of the annual Posture Statements of the various Secretaries of Defense against subsequent developments shows the CIA was caught by more rapid or extensive development or deployment than it had expected of numerous systems and technologies, including:

— A large deployment of Soviet medium bombers in the late 1950s and early 1960s;

— A large deployment of medium/intermediate range ballistic missiles (M/IRBMs) in the same period;

— The deployment of a second generation of sub-launched ballistic missiles (SLBMs), SS-N-3s, on a fleet of Yankee-class subs in the mid-1960s;

— The deployment of multiple independently targetable reentry vehicle (MIRV) warheads on ICBMs;

— The development of a third generation of Soviet intercontinental ballistic missiles (ICBMs), the SS-13,

CONTINUED



# Soviets in Asia: Evolution of a Blueprint

By MARIAN K. LEIGHTON

In 1969 Moscow floated a proposal for a Soviet-sponsored collective security system in Asia. Washington, preoccupied with the Vietnam war, tended to ignore the proposal, while most Asian capitals adopted a wait-and-see attitude. Peking denounced the plan as a schedule to isolate and "contain" China. The Soviet initiative helped propel China into a rapprochement with the United States.

Details of the Soviet proposal were deliberately vague (there were even hints that Chinese participation would be welcome), but the USSR apparently aspired to fill a vacuum that it foresaw as a result of the impending British withdrawal from areas east of Suez and of a greatly reduced U.S. military presence in post-Vietnam Asia.

With the hindsight of a decade, it is evident that Moscow has constructed the foundations of an Asian security system under its aegis. One aspect has been a Soviet diplomatic offensive for closer relations with the non-Communist governments of Asia, many of which harbor a traditional distrust of the Kremlin. However, in view of the waning appeal of Communist ideology and of Moscow's inability to match the West in providing trade, economic aid and credits, the overwhelming thrust of Soviet policy in Asia has been military.

Aided by a favorable shift in the overall U.S.-Soviet strategic equation, by an impressive Soviet naval buildup in the Pacific and Indian Oceans and by the consolidation of a united, militarily powerful Vietnamese ally, the USSR has drawn Cambodia, Laos and Afghanistan toward its orbit by sheer military force and has intimidated many other Asian states with the specter of growing military strength in the region and willingness to use it.

## U.S. Reluctance

For example, the perceived U.S. reluctance to counteract the Soviet bid for hegemony in Asia has led some members of the Association of Southeast Asian Nations (ASEAN) to contemplate closer ties with the USSR in the wake of the Cambodian crisis and has prompted Pakistan and Iran to reassess their foreign policies in view of the Soviet invasion of neighboring Afghanistan.

There is a further danger that the growing strength and influence of the Soviet Union in Asia will erode Peking's confidence in close Sino-American ties and bolster the position of those in the Chinese leadership who reportedly favor a rapprochement with the USSR.

Though membership in Moscow's proposed system is ostensibly open to all countries in the region, those singled out for mention in the original proposal (published in *Izvestia* May 23, 1969) offer a clue to Soviet intentions. Political commentator V. V. Matveyev, author of the article,

cited India, Pakistan, Afghanistan, Burma, Singapore and Cambodia as important members of the proposed system. Except for Cambodia, all these countries either lie along the Indian Ocean littoral or control air access (by means of overflights in the case of Afghanistan) to that ocean. They also constitute a gateway to the strategic Indian subcontinent, which forms as much of a linchpin for a potential *Pax Sovietica* as it did for the British Empire.

The ultimate scope of Soviet ambitions in Asia was manifested in a Radio Moscow broadcast of Aug. 17, 1969, which declared that "India, Pakistan and Afghanistan would form the nucleus of the [collective security] system, which would eventually embrace all countries from the Middle East to Japan." Soviet friendship treaties with such Asian states as Iraq (in 1972), India (1971), Afghanistan and Vietnam

(both in 1978) subsequently paved the way for an extension of Soviet influence in the Middle East, the subcontinent and Southeast Asia. It is less well known, however, that in February 1978 Moscow handed Tokyo the draft of a Soviet-Japanese treaty of good neighborliness and cooperation. Japan rejected the pact, which apparently aimed (without success) at forestalling a Sino-Japanese peace treaty. Having failed to win over Japan with diplomatic overtures, however, the Kremlin resorted to a pattern that has become distressingly familiar elsewhere in Asia—a military buildup (in this case, beginning in 1978 on the disputed southern Kuril Islands) designed to intimidate Japanese policymakers.

The invasions of Afghanistan by Soviet troops and of Cambodia by those of Moscow's Vietnamese proxy bespeak the development of a two-pronged strategy aimed at Soviet control of access to the Persian Gulf and the Strait of Malacca, key arteries for transport of Middle Eastern oil to Western Europe and Japan. Moreover, the strait affords entree to the South China Sea which, by virtue of unimpeded Soviet access to Cam Ranh Bay and other Vietnamese na-

val facilities, has become a Communist lake.

In addition to its strategic significance, the South China Sea is believed to contain rich oil deposits and is the locus of regional disputes (for example, over ownership of the Paracel and Spratly Islands, or rights to seabed minerals) that are potentially as serious as those among the quarreling states of the Persian Gulf and as conducive to Soviet meddling. Also, naval and air supremacy in the South China Sea puts the Soviet Union in position to exert political pressure against the Philippines.

## "Dumbbell" Strategy

When one considers that dominance of the Strait of Malacca would enable the USSR to link the Pacific and Indian Ocean subregions, the far-reaching implications of a Soviet-sponsored Asian collective security system emerge clearly. China has already warned of a Soviet "dumbbell" strategy focused on the strait and aimed at outflanking Western Europe, the United States and Japan. The success of such a strategy would also effectively sever the links among the members of ASEAN by isolating Thailand and western Malaysia from the rest of the group.

In this broad context, the Soviet intervention in Afghanistan and the Vietnamese invasion of Cambodia represent not isolated regional crises but parts of a broader Soviet strategy. In its general outlines, a Soviet-style collective security system already exists in Asia—in fact, if not in name.

While the timing and tactics of Moscow's move into Afghanistan were probably dictated mainly by domestic developments in that country, the invasion suggests that Moscow is no longer willing to tolerate nonalignment (even of a pro-Soviet variety) in nations deemed pivotal to its budding security structure, but may be increasingly inclined to incorporate them forcibly into the Communist orbit. Soviet behavior may thus reflect a restoration of the Stalinist axiom that "whoever is not with us is against us" and that the Soviet writ is secure only where the bayonets of the Red Army reach. If such is the case, ongoing Soviet efforts to construct an Asian collective security system bode ill for neutral Asian nations and their Western friends.

*Marian K. Leighton is an analyst in the National Foreign Assessment Center of the Central Intelligence Agency. The article does not imply a CIA endorsement of the author's views.*

LONDON DAILY TELEGRAPH  
29 DECEMBER 1980

## THE INTELLIGENCE W PUTTING MUSC IN THE CIA BY ROBERT MOSS

COMPARISONS are already being drawn in Washington between the appointment of Mr William J. Casey as CIA director under the Reagan Administration and the choice of Mr John McCone for the same role under the Kennedy Administration.

Both men are shrewd non-professionals (although Mr Casey served with distinction in the Office of Strategic Services and is remembered with affection by many wartime colleagues in London) whose instinct may prove a surer guide to policy than the conventional wisdoms of the established bureaucracy. Mr McCone's instinct told him that Khrushchev had secreted missiles in Cuba when CIA analysts were still unconvinced. Similarly, Mr Casey is unlikely to pay overmuch respect to estimates from the analytical side of the CIA — the National Foreign Assessments Centre (NFAC) — suggesting that the motivation for the Soviet military build-up is essentially defensive: his instinct tells him otherwise.

According to sources inside Mr Reagan's CIA transition team, a major overhaul of NFAC is expected to be one of the first consequences of Mr Casey's appointment. The present head of NFAC, Mr Bruce Clark, is expected to be replaced.

One leading contender to take his place is Mr George Carver, a former CIA station chief in Bonn, now based at the Georgetown Centre for Strategic and International Studies, who serves on Mr Reagan's transition team and has made himself a subtle and engaging commentator on intelligence matters.

In a parallel development, the Defence Intelligence Agency (DIA) and the other components of Pentagon Intelligence are likely to be given a larger role in the shaping of national estimates; their predictive record is generally recognised to have been much better than that of NFAC.

Mr Casey and his team are likely to move slowly, avoiding radical staffing changes at Langley, the view in the Reagan camp is that the CIA has already been dangerously demoralised through purges of veteran officers.

However, the new CIA director is likely to want to re-engage the services of some of the senior people who were fired or pressured into premature retirement under Admiral Stansfield Turner or his no-less controversial predecessor, Mr William Colby. In addition to analysis, the other component of CIA activities that is likely to be subjected to most rigorous scrutiny — is counter-intelligence.

There is widespread concern that the counter-intelligence (CI) staff was fatally weakened in 1974, when Mr Colby managed a to-engineer the ouster of Mr James Jesus Angleton, for two decades the agency's CI chief.

The nominal cause of Mr Angleton's removal was the Press leak of his involvement in a programme of domestic mail intercepts. It was not made clear at the time that this programme had been initiated as early as 1953 with full presidential authority and that it has resulted in the discovery of an important East German "illegal" as well as of contacts between prominent Congressional figures and the Soviet K.G.B.

### Staff cuts

With Mr Angleton's fall, the powers of the centralised CIA staff were radically reduced; and the security of the department's own files — including sensitive studies of allied secret services — was lessened, giving rise to concern that CIA operations and allied secrets had become more vulnerable to Soviet detection and penetration.

Counter-intelligence is rarely popular within a secret service, since the CIA role is to play the institutional devil's advocate, questioning, for example, whether a defector or a double agent (whose case handlers may be intensely proud of their catch) is genuine or a K.G.B. controlled plant.

The breakdown of this, however, is the entire intelligence penetration and by its antagonism.

Mr Angleton is who have been the Reagan to on the CI re the next admin his advice is

weighed very seriously, not least because of the close relationship of trust that Mr Angleton established in the past with many friendly secret services, including the Israelis.

The whole question of CI organisation is taken up in a valuable collection of papers, edited by Dr Roy Godson, that will be published early next year by the Washington-based Consortium for the Study of Intelligence as part of a series entitled "Intelligence Requirements for the 1980s".

Contributors to the new volume, entitled "Counter-Intelligence", include senior present and former CIA and DIA officials.

Two of the most provocative papers in the book are by Mr Norman L. Smith and Mr Donovan Pratt, who were formerly (respectively) chief of operations and research director on the CIA's counter-intelligence staff.

Mr Smith argues that it is necessary to re-establish a centralised CI staff with a wide purview, not only to ensure the security of the CIA's intelligence collection and covert action operations, but to undertake its own offensive double agent and deception activities against the K.G.B.

He argues the very special qualifications required to make a successful CI specialist — not only in terms of intellectual ability, but in terms of familiarity with hundreds of individual cases, over many years. He rightly observes that the Soviet intelligence services place great emphasis on the kind of historical research for which no computerised data bank can substitute.

the creation of a fully clandestine service, outside the present CIA structure, to conduct intelligence and CI operations.

The present CIA, largely reduced to analysis, covert action and paramilitary operations (none of which are likely to remain secret indefinitely, or perhaps even for very long) would remain to deflect interest and scandal away from the clandestine service.

This is one of the many current proposals for the restructuring of the U.S. intelligence community that will be reaching Mr Casey's desk.

Within the narrower area of CI itself, Mr Casey will be urged by some members of the CIA transition team to re-initiate the review of Soviet deception operations — especially those involving double agents in New York who may have been controlled by the K.G.B. that was aborted by the 1974 purge.

CONTINUED

# Gulf War: The Worst Hasn't Happened

## But No End of Conflict Is in Sight

By Don Oberdorfer

Washington Post Staff Writer

After four weeks of fighting, two essential facts in the familiar good news/bad news pattern stand out about the Persian Gulf war between Iraq and Iran.

First, the worst has not happened. The flames of battle have not spread to the other oil-producing nations or the narrow strait of the world's most economically vital region, and a military confrontation involving outside powers, including the United States and the Soviet Union, has not occurred. In recent days, in fact, Washington officials have downgraded the likelihood of such calamities.

Second, however, is the fact that no settlement of the conflict has taken shape or is even projected by Washington policy-makers. Meanwhile, the war's impact on the world's oil production continues to be substantial, and the threat persists of greater dangers ahead involving the combatants, their Persian Gulf neighbors, the superpowers and the oil supply of the developed West and Third World nations alike.

The Iran-Iraq war, four weeks old today, has been called a war of attrition, a war of exhaustion, a war of miscalculation.

All this may be true. It also is a war with unusually serious repercussions for other nations.

Like a stone thrown into a pond, this war has produced ripples visible from afar as a series of widening concentric circles. This is because the pond, in this case, is the Persian Gulf, the most important source of available petroleum for an oil-short world.

In its most basic dimension, the war is the latest episode in a border dispute, complicated by ethnic antagonisms, that has festered for centuries. Fighting over the Shatt-al-Arab waterway involving the town of Khorramshahr (then known as Muhammarah) dates back to an 1837 battle between the Ottoman Turks (then inhabiting the Iraqi side) and the Persian Empire (on the Iranian side.)

Previous efforts to settle the conflict include an 1847 treaty, a 1914 border demarcation based on 1911 and 1913 agreements, a 1937 treaty and the 1975 Algiers agreement that was repudiated by Iraq this Sept. 17, leading to full-scale war five days later.

There are many such unresolved border and ethnic conflicts in the world of nation states. To name only a few: the battle between Somalia and Ethiopia in Africa, between Israel and its Arab neighbors in the Middle East, between Argentina and Chile in South America, between Vietnam and Cambodia in East Asia. Last week an 11-year-old border war between Honduras and El Salvador was settled with a peace treaty that rated six inches on an inside page of The Washington Post.

Some of the other local disputes are of serious international importance because of the actual or potential involvement of outside powers. But none is so fraught with immediate peril to the resources that power the turbines and engines of the modern world.

The latest eruption between Iraq and Iran had been building for many months. The underlying causes, in the view of Washington officials, were the radically changed balance of power resulting from the fall of the shah's government in Iran and the emergence of a more powerful Iraq, and the fear among Iraq's leaders that the political fervor of revolutionary Iran could spread to their populace. Post-revolutionary Iran, while seemingly weak militarily, was extremely provocative to its neighbor.

Serious clashes between the two countries broke out more than six months ago, and became more heated in early September. About three days before the outbreak of full-scale fighting, the CIA's National Foreign Assessment Center issued an "alert memorandum" warning of a likely Iraqi attack. No date was given for the start of hostilities.

At this point, the consensus among intelligence analysts and other specialists in the area was that Iraq would quickly and rather easily triumph over Iran. The fear in some quarters of U.S. intelligence was that Iran would quickly fragment, providing a golden opportunity for Soviet expansion.

To nearly everyone's surprise, Iran fought back effectively. Iranian President Abol Hassan Bani-Sadr has claimed that his country had advanced intelligence of the Iraqi attack, enabling it to make secret plans to resist. Whether or not that was the case, it is clear

THE NEW YORK POST  
13 December 1979

# CIA's portrait of Khomeini: A lonely old man lusting for revenge

PRESIDENT CARTER has armed himself for the Iranian crisis by studying a CIA psychological profile of Ayatollah Khomeini that portrays him as a vengeful fanatic obsessed with rebuilding his country overnight.

The profile, a "personality assessment" prepared by the CIA's National Foreign Assessments Center, describes the religious leader as determined to overhaul Moslem society before he dies, White House sources said.

"Khomeini is an old man preoccupied with the fact that he will live at best only a few more years," a source who has seen the profile says.

"He believes he must do what would take a century in two or three years.

"He must make the changes he ordains a permanent part of Iranian society while he lives, because he cannot trust those who come after him to keep the faith.

"This gives a frenied intensity to all of Khomeini's actions."

## A POST EXCLUSIVE

White House sources say the study points out that Khomeini views himself as a restorer of militant Islam at the birth of its fifteenth century.

His unwillingness to compromise comes, the report says, from a sense of personal messianic mission.

The profile ascribes much of Khomeini's anti-American fervor to the 15 years he spent in exile, pointing out that Khomeini holds the U.S. personally responsible for keeping the Shah in power and isolating the 79-year old Ayatollah from the Iranian people.

"Khomeini was a lonely old man in exile. The exile was a painful, heart-rending separation for a man who drew his identity from contact with Iranian life," a White House source said.

"The Iran Khomeini came back to was nothing like the Iran he left. He has difficulty understanding how the country could have changed so much.

"After Khomeini's son died [it is believed at the hands of SAVAK, the Shah's secret police], the gentleness went out of him. He is motivated by revenge."

Sources indicated that the profile outlines options for dealing with Khomeini on



ARTICLE APPEARED  
ON PAGE A-14

THE WASHINGTON POST  
16 OCTOBER 1979

# Cuban Crisis Mishandled, Insiders and Outsiders Agree

By Don Oberdorfer  
Washington Post Staff Writer

As Sen. Richard Stone (D-Fla.) arrived at the ornate Senate Caucus Room for a Foreign Relations Committee hearing at 10 a.m. last July 17, a senatorial aide pulled him aside to impart a fascinating tip.

"I've been picking up reports on a recent buildup of Soviet combat troops in Cuba, perhaps as much as a brigade," said the aide, whom Stone will not identify.

In response to the expected question, the aide announced, as Stone recalled it, that the information did not come from a classified official paper, and therefore "you don't have a classification problem" about sounding a public alarm.

In the course of the hearing, supposedly addressed to the strategic arms limitation treaty (SALT II) on nuclear weapons, Stone pointedly inquired of the witnesses, retired members of the Joint Chiefs of Staff, about the impact of the hypothetical Soviet introduction of "as much as a brigade of combat troops in Cuba."

The press corps perked up at this new element in the dull SALT story. Off the record and off camera, Stone also had a private exchange that morning with John Carbaugh, a staff aide to anti-SALT Sen. Jesse A. Helms (R-N.C.).

Carbaugh had heard reports of his own about a Soviet combat force in Cuba. Within a few hours, Carbaugh passed his tip along to ABC Television, which began an independent investigation.

These small transactions in mid-July ballooned into a large-scale national and international controversy late in August, leading to a diplomatic confrontation with the Soviets in September and President Carter's televised address about Soviet troops in Cuba on Oct. 1.

Whatever the view of the importance or unimportance of the Soviet "brigade," whether insiders or outsiders to the Carter administration, whether Carter friend or Carter foe, nearly all those familiar with the details of this latest Cuban crisis agree that it was badly mishandled.

Accidents, miscalculations and, much more appalling to old hands, the seeming lack of any sophisticated calculation, contributed to the result, which was described by a British newspaper as "a self-inflicted technical knockout."

Among the other contributing elements:

- An administration still divided at the top on Soviet policy after 2½ years in office, even as the pending SALT II generates a national debate about the nature and intentions of the Russians.

- The present Washington fishbowl in which official secrets quickly leak or are leaked by contending factions, forcing premature announcements and decisions.

- Members of Congress and congressional aides who possess the knowledge, power, maneuver skills and, increasingly, the inclination to do their own thing in U.S. diplomatic and military affairs.

- The inherent ambiguity of the intelligence and misleading character of the term, "Soviet combat brigade," which created a widespread and erroneous impression that something fundamentally new and threatening had been found.

The results of all this—to create vast public concern and confusion, to endanger the strategic arms treaty, to jeopardize U.S.-Soviet relations—did not emerge overnight. They developed step by step since Stone brought the issue to light on July 17.

Soviet troops in Cuba and U.S. intelligence awareness of them go back many years, but a July 12 report by the highly secret National Security Agency marked the beginning of a new and troublesome phase.

The NSA report suggested that a Soviet brigade organization, separate from known military advisers or training elements, had been present in Cuba for several years.

Although there was no firm conclusion and no reference to the word "combat," the report touched off alarm bells in high places and led to a new increase in U.S. surveillance of Cuba.

Only five days later Stone had his tip. After attracting the interest of the media at the morning hearing on July 17, the Florida senator took his inquiry to a closed-door Foreign Relations Committee hearing with top Pentagon and intelligence officials which, by coincidence, had been scheduled for that afternoon.

Defense Secretary Harold Brown and the chiefs of U.S. intelligence agencies gave "an equivocal answer but not a flat denial," according to Stone, and then told a secret impromptu hearing of the NSA findings up to that point. Stone made it clear he would take his suspicions, but not the details of the briefing, to television cameras waiting for him outside.

The committee leadership, concerned about the potentially explosive controversy, asked for and obtained a

public statement drafted by Brown and the intelligence chiefs on the spot to put the matter in perspective.

The statement issued in the names of Chairman Frank Church (D-Idaho) and the senior Republican, Sen. Jacob Javits (N.Y.), said there was "no evidence of any substantial increase" in Soviet military presence in Cuba over several years. It also said "our intelligence does not warrant the conclusion" that any "significant" Soviet forces, other than the long-known military advisory group, was present in Cuba.

The statement gave no hint of the intense internal study and debate on the issue, which only two days later, on July 19, produced a secret CIA finding that a brigade headquarters or structure, at least, was in Cuba separate from an advisory group.

The basis for this finding was simple and persuasive: Soviet officers and men had been overheard repeatedly to refer to a brigade headquarters, or "brigada." There was no agreement in this compromise finding, negotiated by CIA Director Stansfield Turner, on the organization, personnel strength or mission of the shadowy entity.

Turner was briefing Secretary of State Cyrus R. Vance on the finding late on July 19 when they were confronted by ABC Television's inquiries.

Diplomatic correspondent Ted Koppel was informed that a "command structure" adequate for a brigade had been confirmed, but the charge of a brigade itself was rejected.

The next day Koppel broadcast a report attributed to undisclosed congressional sources that "a brigade of Soviet troops, possibly as many as 6,000 combat-ready men, has been moved into Cuba within recent weeks." He noted the administration denials.

ARTICLE APPEARED  
ON PAGE A-1

NEW YORK TIMES  
7 JULY 1979

# In Peking, Food-Ration Cards Are Selling Briskly

By FOX BUTTERFIELD

Special to The New York Times

PEKING, July 6 — Early each morning, a long line forms outside a small shop near the Peking Hotel for a popular northern Chinese

Notes breakfast — yu tiao and  
on dou jiang, or fried crullers  
China and bean curd milk.

When a foreigner joined the snaking queue the other day, he noticed a young woman circulating back and forth, evidently selling something. She was an unusual saleswoman. She neither said a word nor held up her product for view.

But when a person in the line stopped her, she reached into a pocket and pulled out a thick wad of small colored tickets. Silently, she exchanged them for cash.

They were grain-ration coupons, one of myriad types of ration cards, booklets and tickets that people must produce to buy a number of scarce items — everything from flour and rice to meat and fish, cooking oil and sesame paste, bicycles and sewing machines, cotton cloth and in some regions even soap and matches.

Rationing varies geographically and by season and defies any attempt at exact description. In Peking, the meat ration, which is normally given in pork, is 2.2 pounds a month. In Ningxia Province in the remote mountainous northwest it is 1.65 pounds, in Henan on the North China Plain, less than a pound for an entire month.

But in Shanghai this summer the Government stopped rationing pork because of the success of its new agricultural policy in encouraging peasants to raise more pigs.

The scarcity of many goods, combined with the breakdown in discipline that accompanied the Cultural Revolution, has bred a special quasi-legal commerce that has been dubbed "tak-

ing the backdoor." The young woman hawking ration coupons is only one example.

Go to a theater showing a popular movie or play and there may be people outside offering tickets at inflated prices. Often the transaction involves a trade rather than money. In front of bookstores, record shops and stores selling sewing patterns, small crowds gather to exchange one purchase for another.

In the universities, the students have devised their own method for helping those who do not get large enough rations. Since grain coupons are distributed equally to men and women, though the female students eat less and the men need more, the women simply turn over their unused coupons to men friends.

Bureaucracy weighs heavily, but in the last few months the normally staid People's Daily has started publishing a cartoon supplement that seems to be trying to redress the balance in favor of ordinary people.

In the current issue, one drawing lampoons a particularly arrogant functionary dressed in a Mao jacket and cap. When a technician brings him some blueprints, the official turns away saying, "I don't understand them."

When a worker holds out a document with decisions to be made, he brushes the man away with "it's hard to decide." When an associate suggests a night-school course to learn more, he responds, "I cannot learn."

But when the bureaucrat reaches his own desk, he takes out a giant seal, or chop, the symbol of power in Communist China as it was in traditional China whose imprint is required on any official paper. "What I don't approve, can't be done," he pontificates to a crowd of people awaiting his attention.

The cartoon paper also carries a mock interview between a reporter and a factory manager satirizing the common tendency to blame the disgraced radicals, or Gang of Four, for all of China's troubles.

"Reporter: In 1977 your factory failed to fulfill its production plan. Why was that?"

"Manager: The main reason was the poisonous influence of the Gang of Four."

"Reporter: In 1978 your factory again failed to achieve its quota. Why?"

"Manager: It was also because of the poisonous influence of the Gang of Four."

"Reporter: Then why haven't you gotten rid of the influence of the Gang of Four?"

"Manager: That's also because of the poisonous influence of the Gang of Four."

On the recent tour of China by Joseph A. Califano Jr., the Secretary of Health, Education and Welfare, several American journalists led by Art Buchwald, the humorist, also tried to puncture the reverence for protocol of Chinese bureaucrats. They failed.

When the Chinese carefully arranged for Mr. Califano and his official party of Americans to eat and sleep in separate quarters from the reporters, the correspondents responded by inviting Mr. Califano to lunch in their own more meager dining room.

Aboard the special Chinese Air Force plane Mr. Califano rode in, the reporters importuned him to occasionally emerge from the V.I.P. compartment and sit in the back with them. But when Mr. Califano kept his hosts and the reporters waiting for two hours one morning in Kunming while he talked by telephone to Washington about pending legislation, a Chinese said jokingly, "You Americans have to wait for your officials just like us."

One member of the Califano delegation was a Chinese-speaking representative from the National Foreign Assessment Center, which an American furnished guest list identified as the Central Intelligence Agency.

At first several Chinese treated the man as though he was a James Bond secret agent, carefully following him wherever he ventured. Privately, they expressed skepticism to other Americans in the group that he was only a Harvard-trained economist, as he told them he was.

In Shanghai, at the end of the journey, as the delegation boarded a plane to leave China, the Minister of Health, Qian Xinzong, shook hands with each American. When he came to the man from the C.I.A., he said, "You have benefited most from this trip."

The American demurred, "What do you mean?"

"You know what I mean," said Mr. Qian with a twinkle in his eye.

THE GEORGETOWN INTERNATIONAL NEWS  
GEORGETOWN UNIVERSITY  
13 March 1979

25X1A

# The "New" C.I.A.

By Bill McIlhenny

Until a few years ago, [CIA] foreign intelligence analysts were perhaps the most obscure participants in the foreign policy process.

During the last five years or so, most of that has changed dramatically as the average CIA analyst has emerged from his previous anonymity and silence.

So asserts Dr. Brian Latell, former Associate Coordinator for Academic Relations and External Analytic Support in the Central Intelligence Agency. In fact, the past five years have seen numerous far-reaching changes—including structural reorganization—which, have in effect, opened up the CIA's research and analysis components. The result has been to make these components more responsive to a greater public and private audience. Latell, who is currently at Georgetown teaching a course on the revolutionary process in Latin America, states that because of this new openness, "the public derives more from its tax dollars spent for intelligence... and the CIA has benefited from useful critiques from outside observers."

Typical of these changes is the CIA's increasing participation (since 1972) in the Library of Congress Document Expediting Project (DOCEX), by which unclassified studies are distributed to subscribers outside of the government. Among these subscribers are over 100 university libraries.

Intelligence reports so released—including, according to Latell, "some of the agency's most important analytic works"—have grown in number from only 29 in 1972 to approximately 150 last year.

Among the works received through DOCEX have been estimates of Soviet and Chinese energy capabilities and analyses of political elites.

Further, although they must still be conscientious with regards to sensitive sources, CIA analysts are encouraged to participate and function much as their academic counterparts. In 1977 alone, 300 analysts attended conferences and conventions in their areas of interest and according to Latell, "they openly and freely identified their agency affiliation." Likewise, Latell asserts, a "vigorous new effort is currently underway to add a number of additional experts to our panels of consultants."

Perhaps one of the most important internal CIA reorganizations was the creation last year of the National Foreign Assessment Center. The center, which Latell stresses is "completely overt," consolidated "all of the CIA components that do substantive research and estimates under a single management." The center specialists, he continues, "examine and assess the political, economic, military, scientific, and technological affairs of foreign countries." The center is organized into several offices, such as the Offices of Economic Research, Political Analysis, and Geographic Research, which Latell likens to various departments at a university. "We operate as

CONTINUED

ARTICLE APPEARED  
ON PAGE A-21

THE WASHINGTON POST  
12 June 1978

# Academics Still Secretly Inform CIA

By Timothy S. Robinson  
Washington Post Staff Writer

The CIA continues to maintain an "invaluable" network of academic informants on college and university faculties upon which it "depends daily for information, guidance and insight," CIA officials have acknowledged in court records here.

The disclosure of the continued CIA use of unidentified academicians follows by two years a suggestion by the Senate Select Intelligence Committee that all such contacts be open instead of covert.

In affidavits filed in a Freedom of Information Act suit here, CIA officials said it is generally up to the professor to decide whether to disclose his voluntary CIA cooperation to his employer.

Several sources familiar with intelligence gathering said, however, that it would be highly unlikely for most CIA informants to disclose to superiors their cooperation with the agency.

Occasionally, CIA officials said, relationships are kept secret by the academicians "at our request."

More often, the CIA officials added, "they are discreet at the scholar's request because of his concern that he will be badgered by those who feel he should not cooperate."

In the court case, brought by a California man seeking records concerning the agency's relationship with the University of California, the CIA says the scholars are considered "sources of intelligence" and therefore secret under federal laws.

As justification for withholding the names of University of California personnel who might be involved with the agency, the CIA filed two affidavits that give a public accounting of the current use of academicians.

John F. Blake, deputy director for administration, said in his affidavit that all the relationships with academicians are for "foreign intelligence purposes."

Most of the contacts are with professors who "have traveled abroad" or who are experts in various fields of study, he said. However, one element of the agency maintains confidential contacts with college personnel "for assistance in the recruitment of foreign intelligence sources," he added.

He called cooperation with academicians "vital to the intelligence collection mission of the CIA."

Regular contacts with them "enable us to keep abreast of professional developments, including new insights, interpretations, and methodologies," Blake continued.

Public disclosure of the contacts might result in "active and abrasive campaigns to discover and expose the individuals concerned on at least some" campuses, he said.

Blake said cooperating academicians in many cases "place their reputations, credibility, livelihood and in some cases even their lives on the line in providing information."

The CIA's personnel director, F.W.M. Janney, said in an affidavit that the campus contacts are necessary to properly protect national security. He said in many fields it is "absolutely essential that the agency have available to it the single greatest source of expertise: the American academic community."

CIA analysts at its National Foreign Assessment Center consult regularly with "the academicians on an informal and personal basis, often by telephone," with the understanding that the contacts will be confidential, Janney said.

Janney said, without specifying, that scholars whose CIA contacts have become public were subjected to harassment and ridicule by students and other faculty members.

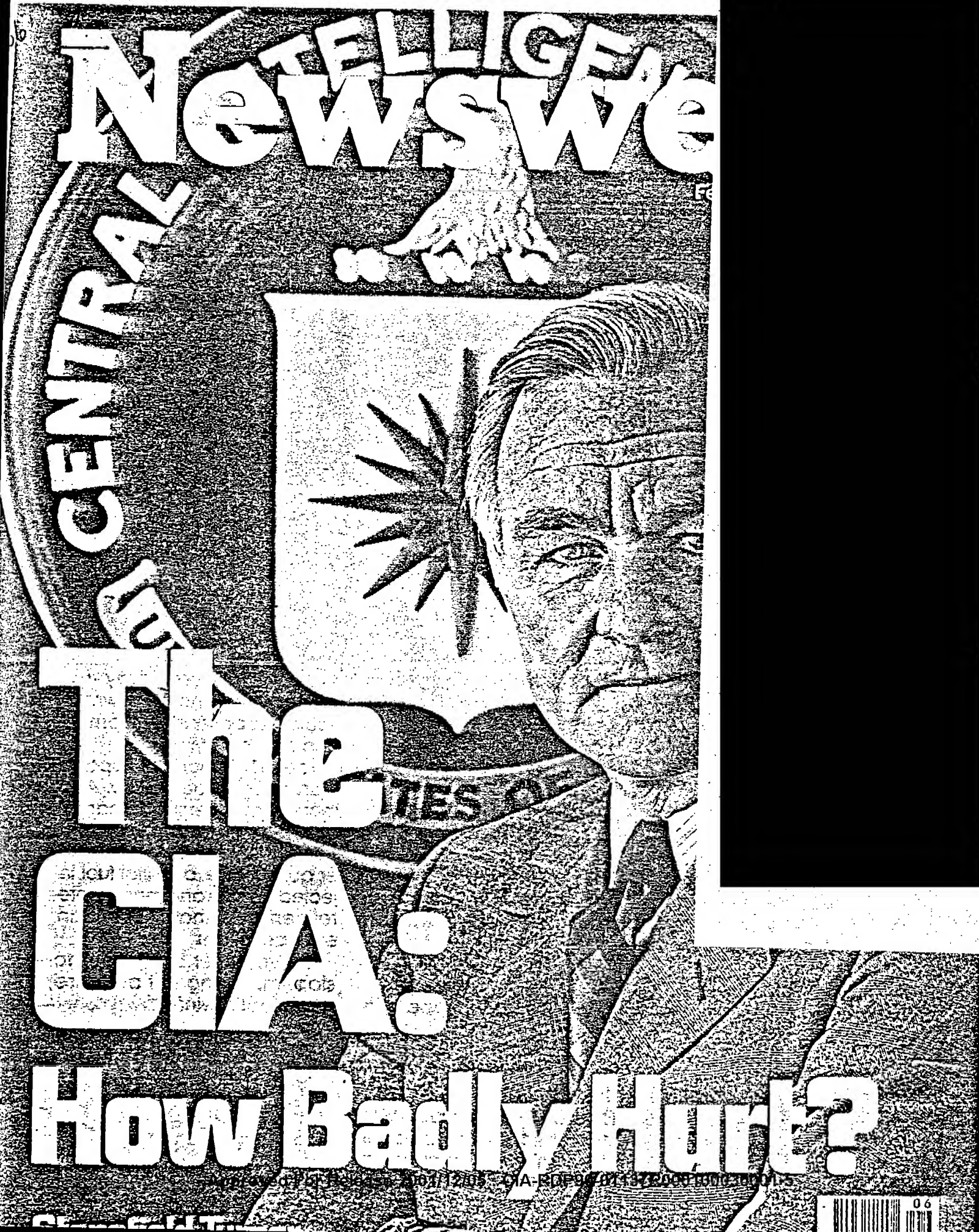
"There is also evidence that such scholars, despite recognized standing in their fields of expertise, have been subjected to professional disabilities, including denial of tenure and dismissed from their positions as a result of acknowledging such informal contacts with the CIA," Janney said.

The Senate Select Intelligence Committee said in an April 1976 report that many of the CIA's contacts with academicians are not dangerous but that the "operational use" of academicians raised serious questions about preserving the integrity of academic institutions.

According to the committee, several hundred American academics, "in addition to providing leads, and, on occasion, making introductions for intelligence purposes, occasionally write books and other material to be used for propaganda purposes abroad. Beyond these, an additional few score are used in an unwitting manner for minor activities."

In suggesting that all contacts with academics be open, the senators said: "If the CIA is to serve the intelligence needs of the nation, it must have unfettered access to the best advice and judgment our universities can produce. But this advice and expertise can and should be openly sought—and openly given."





# INTELLIGENCE Newsweek

## CENTRAL INTELLIGENCE

# The CIA: How Badly Hurt?

ARTICLE APPEARED  
ON PAGE 37U.S. NEWS & WORLD REPORT  
21 November 1977

# Behind The Purge At CIA

A DRAMATIC CHANGE in the way America's espionage system operates around the world is being signaled by a purge involving hundreds of clandestine operators.

What the housecleaning at the Central Intelligence Agency reflects is a sharp downgrading of covert actions—the "dirty tricks" operations that have embroiled the organization in a series of scandals and official investigations over the past three years.

**Analytical approach.** The emphasis now is shifting to intelligence analysis—political and economic as well as military. The aim is to insure that the mass of information pouring into the CIA from spies, reconnaissance satellites and open sources reaches the President and other policy makers in a usable form.

This marks the end of an era for the Agency—30 years during which the organization was preoccupied with covert actions aimed at overthrowing governments and otherwise influencing political developments abroad.

From 1961 to 1976, roughly 900 major covert operations were carried out—such as the ill-fated Bay of Pigs invasion of Cuba and financing of opposition to the Marxist Allende Government in Chile. In addition, there were several thousand smaller projects.

Significantly, all of the 820 CIA officials on the purge list are officers with the Deputy Directorate for Operations—the so-called dirty-tricks department. Approximately 200 have just received their walking papers. The remainder will be given the choice of retiring or resigning in the months ahead. When the retrenchment is completed, the Deputy Directorate of Operations will be cut by about 15 per cent from a strength of roughly 4,500.

Some officials among the purgees charge that America's espionage operations overseas are being crippled. They allege that the CIA Director, Adm. Stansfield Turner, is obsessed with satellite intelligence at the expense of human spies who can assess an adversary's intentions and not just his capabilities.

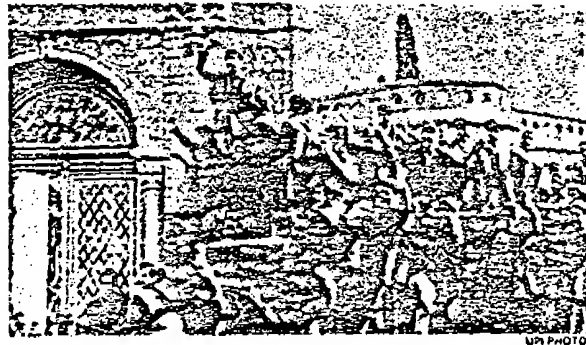
Sources close to the intelligence chief have been quick to answer these charges. They say that of the 820 jobs being eliminated in the clandestine service, only 13 are overseas billets. The rest are staff slots at CIA headquarters in Langley, Va.

The point is made that the end of the Vietnam War left the clandestine service enormously bloated, with hundreds of redundant agents recalled from the Far East.

Furthermore, congressional reaction against covert operations over the past

## COVERT ACTION

### Where It Paid Off



Iran: 1953

CIA-promoted demonstrations result in overthrow of pro-Communist Mossadegh Government, return of Shah.



Guatemala: 1954

Leftist Government led by Col. Jacobo Arbenz Guzman is ousted in armed uprising organized by CIA covert-action agents. Col. Carlos Castillo Armas, left, leader of the coup, sets up a pro-American regime.



Congo: 1960

CIA blocks pro-Communist regime, aids take-over by Lt. Gen. Mobutu Sese Seko.

The large-scale purge of clandestine officers is only one part of a wide-ranging program that Turner has instituted to revamp the structure and the priorities of the U.S. intelligence community.

In another move to strengthen the community's analysis role, he has established a National Foreign Assessment Center. It is run by Robert Bowie, a professor at Harvard and former official of the Department of State.

The Center is staffed by 1,200 intelligence analysts from the CIA and a group of high-ranking specialists who, in the past, were responsible for producing national intelligence estimates. These studies provide the President and other policy makers with the intelligence community's assessment of major trends and events abroad that affect U.S. security and foreign policy.

The new approach is designed to meet the criticism of a Senate committee's report that the CIA for 30 years had neglected classical analytical intelligence work because of its preoccupation with covert operations abroad.

In another move to streamline the entire intelligence system, Turner has set up a National Intelligence Tasking Center under the command of Lt. Gen. Frank A. Camm, a retired Army officer.

**Dividing the work.** Camm will be responsible for assigning tasks to the numerous intelligence-collecting agencies. These include not only the CIA but also the Defense Department, the National Security Agency, which handles electronic intelligence, and the National Reconnaissance Office, which operates spy satellites.

The aim is to minimize costly overlapping by the various agencies and also to insure that these units actually concentrate on the information that policy makers need.

Taken together, the reorganization and the purge of specialists in dirty tricks are changing the face of America's 10-billion-dollar spying operation. The new setup is likely to stir less controversy than the old—but whether it proves more effective remains to be seen.

## CIA Merges Directorate, Office

Washington—Central Intelligence Agency, in another effort to streamline internal intelligence gathering efforts, has merged the Directorate of Intelligence and the Office of the National Intelligence Officers into a new organization called the National Foreign Assessment Center.

According to the CIA, the merger is designed primarily to combine under one person all of the directorate's subordinate elements involved in the production of analyzed intelligence. Robert R. Bowie, deputy to the director of central intelligence for national intelligence, has been appointed director of the center.

The National Intelligence Officers were responsible for the production of national intelligence estimates for the President and the National Security Council. Compiled by the entire intelligence community, these studies provide the government with information on major trends and events abroad that affect the security and foreign policy of the U. S., according to the CIA. The Directorate of Intelligence has been responsible for intelligence analysis and production within the CIA.

Under the reorganization, the new center will continue both these functions. In announcing the move, the CIA noted that no change is contemplated in the procedures for producing national estimates or for intelligence community participation in their preparation.

In a related matter, the CIA also notified aerospace companies dealing with top security matters to tighten procedures concerning the usage and transmission of U. S. top secret codes, according to U. S. officials (AWST Oct. 17, p. 20). The new procedure calls for two persons to be present when codes are being used, instead of one. In addition, movement of U. S. codes now requires two couriers instead of one as was previously required. The new code procedures are part of increased emphasis on security to prevent leaks and possible dissemination of information.

In another internal development, the CIA also recently decided to cut 800 to 820 persons from its Directorate for Operations, which is responsible for the agency's covert activities. The staff reduction has been under consideration by the CIA since the wind-down in the post-Vietnam War period. The cutback is being spread over a 26-month period to allow for the impact of retirements and other procedures that would reduce the need for layoffs, according to a CIA official.

## CIA Merges Directorate, Office

Washington—Central Intelligence Agency, in another effort to streamline internal intelligence gathering efforts, has merged the Directorate of Intelligence and the Office of the National Intelligence Officers into a new organization called the National Foreign Assessment Center.

According to the CIA, the merger is designed primarily to combine under one person all of the directorate's subordinate elements involved in the production of analyzed intelligence. Robert R. Bowie, deputy to the director of central intelligence for national intelligence, has been appointed director of the center.

The National Intelligence Officers were responsible for the production of national intelligence estimates for the President and the National Security Council. Compiled by the entire intelligence community, these studies provide the government with information on major trends and events abroad that affect the security and foreign policy of the U.S., according to the CIA. The Directorate of Intelligence has been responsible for intelligence analysis and production within the CIA.

Under the reorganization, the new center will continue both these functions. In announcing the move, the CIA noted that no change is contemplated in the procedures for producing national estimates or for intelligence community participation in their preparation.

In a related matter, the CIA also notified aerospace companies dealing with top security matters to tighten procedures concerning the usage and transmission of U.S. top secret codes, according to U.S. officials (AWAST Oct. 17, p. 20). The new procedure calls for two persons to be present when codes are being used, instead of one. In addition, movement of U.S. codes now requires two couriers instead of one as was previously required. The new code procedures are part of increased emphasis on security to prevent leaks and possible dissemination of information.

In another internal development, the CIA also recently decided to cut 800 to 820 persons from its Directorate for Operations, which is responsible for the agency's covert activities. The staff reduction has been under consideration by the CIA since the wind-down in the post-Vietnam War period. The cutback is being spread over a 26-month period to allow for the impact of retirements and other procedures that would reduce the need for layoffs, according to a CIA official.

25X1A



# Notes from the Director No. 13

25X1A

18 October 1977

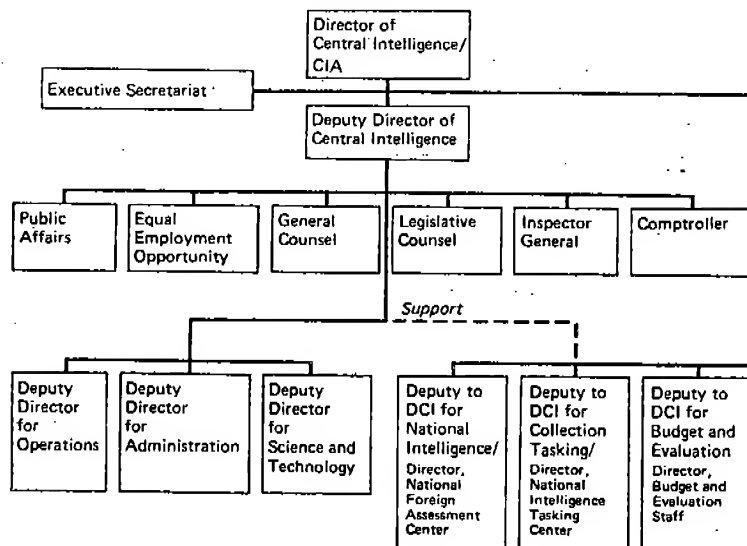
## ORGANIZATIONAL MATTERS

Two important organizational steps have just been completed in furtherance of the Presidential decisions on the Intelligence Community:

- (1) On 3 October, Lt. General Frank A. Camm, US Army (Ret.), became the Director of the National Intelligence Tasking Center. General Camm comes to us with a superb record in analytic work, military operations, and engineering, and I am most happy that he is joining the Intelligence Community. His initial work will be to organize the National Intelligence Tasking Center (NITC) established by the Presidential Directive. Organizationally, this will have only minor impact on the Agency. In time, the tasking function of the NITC should be beneficial to our Agency collection functions by coordinating them more closely with those of other agencies.
- (2) On 11 October, the DDI and the NIO were merged to form a new organization under the DCI, the National Foreign Assessment Center (NFAC). Mr. Bowie will head the new Center and Dr. Stevens will be his deputy. NFAC will receive its support from DDA and other CIA elements.

With these changes our organization will look like this:

Organization—Central Intelligence Agency





UP-128

(CIA)

25X1A

(BY DANIEL F. GILMORE)

WASHINGTON (UPI) - THE CIA ANNOUNCED THURSDAY THE FORMATION OF A NATIONAL FOREIGN ASSESSMENT CENTER TO "STREAMLINE" THE PRODUCTION AND ANALYSIS OF INTELLIGENCE.

THE ANNOUNCEMENT SAID ROBERT BOWIE, A DEPUTY TO CIA DIRECTOR STANFELD TURNER, WILL DIRECT THE NEW CENTER.

TURNER IS ALSO THE OVERALL DIRECTOR OF CENTRAL INTELLIGENCE, WITH RECENTLY-GRANTED BUDGETARY AUTHORITY OVER THE DEFENSE INTELLIGENCE AGENCY, THE NATIONAL SECURITY AGENCY AND MOST OTHER COMPONENTS OF U.S. INTELLIGENCE.

THE ANNOUNCEMENT SAID THE INTELLIGENCE ASSESSMENT CENTER WILL BE LOCATED AT THE CIA'S SECLUDED HEADQUARTERS IN LANGLEY, VA, AND WILL TAKE OVER THE FUNCTIONS OF THE FORMER DIRECTORATE OF INTELLIGENCE AND THE OFFICE OF NATIONAL INTELLIGENCE OFFICERS.

"THE MERGER IS DESIGNED PRIMARILY AS A STREAMLINING MOVE," THE ANNOUNCEMENT SAID, "COMBINING UNDER ONE PERSON ALL OF THE DCI'S SUBORDINATE ELEMENTS INVOLVED IN THE PRODUCTION OF FINISHED INTELLIGENCE. NO MAJOR INTERNAL REALIGNMENTS OR CHANGES IN PERSONNEL ARE CONTEMPLATED."

THE DIRECTORATE HAD BEEN RESPONSIBLE FOR INTELLIGENCE ANALYSIS AND PRODUCTION WITHIN THE CIA. IT CONTRIBUTED TO THE NATIONAL INTELLIGENCE ESTIMATES PROVIDED THE PRESIDENT AND THE NATIONAL SECURITY COUNCIL, AND ISSUED A VARIETY OF OTHER INTELLIGENCE ANALYSES.

THE OFFICE OF NATIONAL INTELLIGENCE OFFICERS HAD BEEN RESPONSIBLE FOR THE PRODUCTION OF THE INTELLIGENCE ESTIMATES, WHICH THE CIA DESCRIBED AS "THE BEST INFORMATION AND JUDGMENT AVAILABLE ON MAJOR TRENDS AND EVENTS ABROAD THAT AFFECT THE SECURITY AND FOREIGN POLICY OF THE UNITED STATES."

ALL INTELLIGENCE GROUPS CONTRIBUTE TO THE ESTIMATES.

IN APPARENT REFERENCE TO PAST DIFFERENCES BETWEEN THE CIA AND THE DEFENSE INTELLIGENCE AGENCY - PARTICULARLY ON ESTIMATES OF SOVIET MILITARY STRENGTH - THE ANNOUNCEMENT SAID VARIOUS AGENCIES CONTRIBUTING TO THE JOINT ESTIMATES WILL RETAIN THE RIGHT OF DISSENT ON CONCLUSIONS.

UPI 10-13 05:14 PED

Approved For Release